



**PY 2020-2021**

**Community Development Block Grant (CDBG) Program**

**APPLICATION INSTRUCTIONS**

Applications **must be received by** 1:00 PM on Friday, February 28, 2020.

Application forms are available at the City of Knoxville's Housing and Neighborhood Development (formerly Community Development) Department located on the 5<sup>th</sup> floor of the City-County Building or at [www.knoxvilletn.gov/development](http://www.knoxvilletn.gov/development)

No matter which method of delivery an agency chooses (U.S. mail, courier, hand delivery, or other), it is the agency's responsibility to ensure that the application is received by the deadline.

Be sure to label any envelope with "City of Knoxville Housing & Neighborhood Development Department" as Knox County also has a Community Development Department in the City/County Building and mail has been misdirected before.

In person: 400 Main Street, Suite 515, Knoxville, TN 37902

Mailing Address: P.O. Box 1631, Knoxville, TN 37901

**A mandatory Technical Assistance (TA) Workshop for all CDBG applicants will be held:**

**Friday, February 7, 2020, at 10:45AM**

**Public Works Service Center**

**3131 Morris Avenue**

**Knoxville, TN 37909**

Applications from agencies not attending this workshop will not be considered for funding.



**NOTE:** Updated information on HUD CDBG regulations can be found here:

- HUD's website at [www.hud.gov](http://www.hud.gov)
- Electronic Code of Federal Regulations (e-CFR) at [www.ecfr.gov](http://www.ecfr.gov)

Title 24 → Subtitle B → Chapter V → Subchapter C → Part 570  
(HUD) (HUD Regs.) (CPD) (Community) (CDBG)

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## **Section 1: General Information**

### **Community Development Block Grant (CDBG) Essential Information**

The purpose of CDBG is to preserve and develop viable urban communities. Its goals are to provide decent housing, provide a suitable living environment, and expand economic opportunity, principally for low- and moderate-income (LMI) people, households, and areas.

In addition, each activity/project must meet one of the following **National Objectives** for the CDBG program: benefit low- and moderate-income persons, prevention or elimination of slums or blight, or address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

Low- and moderate-income (LMI) is defined by HUD as less than or equal to 80% of Area Median Income (AMI), adjusted for household size. There are other levels within the LMI definition for 0-30% of AMI and 30-50% of AMI, adjusted for family size that are also shown below. The current (as of June 28, 2019) HUD Income Limits for the Knoxville, TN HUD Metro FMR Area can be found at: <https://www.huduser.gov/portal/datasets/il/il2019>, and are shown below:

Household Size	One	Two	Three	Four	Five	Six	Seven	Eight
0-30%	\$14,700	\$16,800	\$18,900	\$20,950	\$22,650	\$24,350	\$26,000	\$27,700
30-50%	\$24,500	\$28,000	\$31,500	\$34,950	\$37,750	\$40,550	\$43,350	\$46,150
<b>50-80% Low Income</b>	<b>\$39,150</b>	<b>\$44,750</b>	<b>\$50,350</b>	<b>\$55,900</b>	<b>\$60,400</b>	<b>\$64,850</b>	<b>\$69,350</b>	<b>\$73,800</b>

While there is no limit to the number of applications an agency may submit, each activity/project should be submitted as its own application. Applications selected for funding may receive less than the requested amount depending on the number of applications received and available funds. Funding is not guaranteed to any agency or activity/project.

## Eligible Applicants

The City of Knoxville is seeking non-profit agencies to carry out activities that work to reduce and prevent homelessness, stabilize and revitalize neighborhoods, create economic opportunity, and enhance the availability, accessibility, and quality of affordable housing in the City of Knoxville, all of which are goals under its PY 2020-2024 Consolidated Plan.

Please see Part I. of the CDBG Application – Threshold Requirements for a full listing of requirements. More generally, non-profit and other public agencies designated as a 501 (c) (3) or 501 (c) (4), and serve residents inside the city of Knoxville, are eligible to apply for CDBG funds. Each applicant must have the authority to submit the application and to carry out the proposed activity/project pursuant to its charter and by-laws.

## Eligible Activities/Projects

CDBG funds may be used for activities/projects which include, but are not limited to: Acquisition of real property; Relocation and demolition; Rehabilitation of residential and non-residential structures Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes; Public services, within certain limits; Activities/projects relating to energy conservation and renewable energy resources; and Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities/projects. For a complete list of HUD-eligible activities/projects, please see [www.ecfr.gov](http://www.ecfr.gov) Part 570, and look for Basic Eligible Activities under 570.201.

However, eligible activities/projects must also meet a *Priority Objective* under the goals for the City of Knoxville’s 2020-2024 Consolidated Plan. See [www.knoxvilletn.gov/development](http://www.knoxvilletn.gov/development) for the list of goals and *Priority Objectives*. City staff will also provide the list at the **mandatory** Technical Assistance (TA) Workshop for CDBG applicants.

## Mandatory Technical Assistance Workshop

Prior to submitting an application, all agencies are required to attend a Technical Assistance (TA) Workshop conducted by City staff. The CDBG TA Workshop is scheduled for 10:45 AM on Friday, February 7, 2020, at the Public Works Service Center, 3131 Morris Avenue, Knoxville, TN 37909.

## Funding

All CDBG-funded agencies (aka CDBG subrecipients) shall comply with 2 CFR part 200, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” as set forth at §570.502.

The CDBG program is operated on a reimbursement-only basis. The City of Knoxville will not advance funds, and agencies expending funds prior to July 1, 2020, (or outside of the agreement period between the City and agency) will not be reimbursed. CDBG subrecipients may submit invoices for reimbursement monthly.

Funding for public service activities/projects are limited by HUD to 15% of CDBG funds, and the City of Knoxville may limit them to less than 15%.

While HUD does not require CDBG funding to be matched, it is important that applicants leverage funding from other sources, as well as document expected/leveraged sources and amounts.

### **Funding Release/Agreements**

Since the City may not know the amount of the HUD CDBG allocation prior to the release of its Draft Annual Action Plan, estimates of recommended funding, typically based on the current program year allocation, may be used. Annual Action Plans submitted to HUD must have actual dollar amounts for each recommended CDBG-funded activity/project, and these recommendations are approved by Knoxville City Council before submission. HUD must then approve the City's submitted Annual Action Plan with its recommendations for funding.

All CDBG subrecipients shall have agreements with the City of Knoxville, however, depending upon funding level, not all agreements require Knoxville City Council approval.

CDBG funding is *anticipated* to be available on or around July 1, 2020. While all CDBG-funded activities/projects should be designed to begin then, the City may decide to wait for HUD approval of its Annual Action Plan before executing an agreement with an agency.

CDBG-funded activities/projects are expected to conclude by June 30, 2021.

### **Performance**

CDBG subrecipients will be evaluated on their agreements in two main ways – progress on accomplishment goals and funding expenditures to meet their goals. Quarterly performance reports are required for all activities/projects, as are completion reports. Request for reimbursement invoices from the agency to the City are used in conjunction with performance reports to measure progress toward meeting both the goals of the activity/project and expenditures. Timely expenditure of funds is expected, as spelled-out in each agreement, as are the costs being necessary and reasonable to accomplish goals. Additional reporting and/or information may be required depending on the scope of the activity/project.

The City conducts monitoring of CDBG subrecipients in two ways – desk-monitoring (review of information available at City office) and more formal, on-site monitoring at the agency/service location. On-site monitoring may include a review of program, clientele, procurement, and financial files. If your agency is funded, more information about the monitoring processes will be provided.

### **General Regulatory Compliance**

All activities/projects must comply with the federal regulations applicable to individual activities/projects. These regulations may include (but are not limited to): environmental review; federal procurement standards; Section 3 and Title VI; Fair Housing and Equal Opportunity regulations; lead based paint regulations; Davis Bacon and Related Acts; and federal fiscal/audit

standards. Activities/projects are monitored through technical assistance, site visits, and formal on-site monitoring/file reviews.

Regulations specifically related to the CDBG program can be found under 24 Code of Federal Regulations (CFR) Part 570, as shown:

- Electronic Code of Federal Regulations (e-CFR) [www.ecfr.gov](http://www.ecfr.gov)  
Title 24 → Subtitle B → Chapter V → Subchapter C → Part 570  
(HUD) (HUD Regs.) (CPD) (Community) (CDBG)

### **City of Knoxville Insurance Requirements**

These will be discussed in detail at the mandatory CDBG TA Workshop.

### **Incomplete Applications**

Once received, all grant applications will be screened for eligibility and completeness. Please make use of the Application Checklist provided to help you. Incomplete or ineligible applications will not be considered for funding.

### **Application Review and Selection**

Completed applications will be rated in a process that considers the following: conformance with Part I. Threshold Requirements; eligibility of activities/projects, including how well it meets one or more of the City of Knoxville's *Priority Objectives*; applicant capacity to carry-out the activity/project; quality of the activity/project; leveraged resources and/or partnerships; and operational feasibility. The ratings will be used as a guide for activity/project selection. The proposed activity/project will also be considered with other proposals received for collective community impact.

### **PY 2020-2021 Funding Timeline**

Monday, February 3, 2020

Application packages will be available online at [www.knoxvilletn.gov/development](http://www.knoxvilletn.gov/development)

**Friday, February 7  
10:45 AM**

**Mandatory Technical Assistance (TA) Workshop** at Public Works Service Center, 3131 Morris Avenue, Knoxville, TN 37909. Attendance is required at the workshop to submit a CDBG application

**Friday, February 28  
1:00 PM**

**Applications due to the City of Knoxville**  
Housing and Neighborhood Development  
(formerly Community Development) Department office,  
400 Main Street, Fifth Floor, Knoxville, TN 37902

April 1	Release of the City of Knoxville's Year One Draft Action Plan
April 1-30	Year One Action Plan Public Comment Period
May 5	Knoxville City Council votes on Year One Action Plan
May-June	Agencies provide documentation to develop draft agreement
July	Applicants notified of funding awards and agreements, pending HUD approval of funding recommendations
June 30, 2021	All CDBG-funded activities/projects are expected to be concluded and expenses incurred by this date

## **Section 2: Submission Requirements**

### **Submission Deadline**

Original applications must be received by the City of Knoxville Housing and Neighborhood Development Department no later than **1:00 PM on Friday, February 28, 2020**. A postmark of that date will not be acceptable. Applications received after that deadline will not be accepted. Applications submitted via facsimile or electronic mail will not be accepted.

### **Submission Instructions**

1. Submit one original signed application, including Required Exhibits, and five (5) legible photocopies for each activity/project in a sealed envelope. Photocopies should be clearly marked "copy" on their first page. Only one original of the **Required Attachments** and **Optional Attachments** are required.
2. Applications may be photocopied after submission. To facilitate copying, please hold each application together with a single staple, paper clip, or binder clip. Please do not heat or spiral bind your application, enclose it in a two- or three-hole punched binder or folder, utilize index dividers or cardboard tabs, or staple together individual sections of the application.
3. The application must be typed or computer-generated. Hand written applications will not be accepted. Use only 11 point or larger standard font with black ink.
4. Only white 8 ½" x 11" paper should be used for applications. Brochures and other attachments may be submitted on colored paper, cardstock, or other printed format.
5. Applications should respond to all questions and include all information requested. Maps, supporting data, and other pertinent documentation should be included when relevant.

6. Please no faxed or electronic submissions.
7. Feel free to submit your application early. If you wait and there are submission problems, no exceptions will be given for late applications.
8. Also remember, if you plan on hand-delivering your application, there is enhanced security at the City County Building doors. Parking downtown and entering the building can sometimes take extra time. Please factor that into your arrival. We will give you a receipt if you hand-deliver your application, so do not leave without it.
9. If you have questions or need help, please call us (865-215-2290)! Do not wait until the last minute, please.

**For hand delivery, courier, or Federal Express submission:**

CDBG Application  
Linda Rust, Community Development Administrator  
City of Knoxville Housing and Neighborhood Development Department  
City County Building  
400 Main Street, Suite 515  
Knoxville, TN 37902

**For submission via U.S. mail, address to:**

CDBG Application  
Linda Rust, Community Development Administrator  
City of Knoxville Housing and Neighborhood Development Department  
P.O. Box 1631  
Knoxville, TN 37901

The City of Knoxville may require additional information for determination of the applicant's qualifications to perform the proposed activity/project. The City will not return the application materials nor reimburse any cost of preparing the application materials.

For more information about this application and funding process, please call Hope Ealey at 865-215-2290 or email [healey@knoxvilletn.gov](mailto:healey@knoxvilletn.gov).